

24th March 1950]

[Sri B. Gopala Reddi]

same time, it does not mean that all mistakes will be avoided or rectified for all time to come and that everybody will be estimating the expenditure to the last pie. There may be cases, as I said, where the estimate will be exceeded and in such cases, we need not trouble ourselves that something has gone wrong somewhere or that everything is bad with the Finance Department."

DR. V. K. JOHN :—" That is an assurance, Sir, that the mistakes would be continued."

IV.—SUPPLEMENTARY STATEMENT OF EXPENDITURE FOR 1949-50.

THE DEPUTY CHAIRMAN :—" Discussion on the Supplementary Statement of Expenditure for 1949-50 will now be taken up."

* SRI R. SURYANARAYANA RAO :—" Mr. Deputy Chairman, Sir, as I was listening to the reply of the Hon. Minister for Finance on the Demands for 1946-47, I was feeling that he was perhaps answering also in advance, the points likely to be made in connexion with the Supplementary Demands for 1949-50 which he is presenting to-day. Sir, most of the trouble with these Demands seems to be due to the fact that when Government Orders are issued sanctioning amounts, the following paragraph invariably occurs. I would like the Hon. Minister for Finance to look into any number of the Government Orders that are being issued by different departments :

'Expenditure on account of this sanction should be debited to . . . head. The Head of the department is requested to apply for the necessary additional appropriation in due course. Pending provision of funds, the Accountant-General is requested to admit the expenditure in audit.'

If all these sentences are taken together, they expect the Finance Department should follow up and see whether the head of the department has asked for additional funds. It is a troublesome task. What I am suggesting to the Hon. Finance Minister is that in very very exceptional cases only these sentences may come in Government Orders sanctioning funds, exceptional circumstances like famine, pestilence, cyclone, etc. And if there is already provision under the proper head, there is no need for the sentence. Because there is no provision under that particular head to which the sanctioned amount is to be debited, the Government are asking the Head of the department to apply for additional funds. What I am saying is I appreciate with my hon. Friend the Leader of the Opposition, the difficulty of the Finance Department in following up in such instances. I should like the Hon. Minister for Finance to issue instructions to all departments and to his department that, as far as possible, amounts may be allotted out of a particular head, if funds are available; and unless the circumstances are exceptional, and if they are ordinary matters which can wait, they should wait till he introduces the supplementary demands in the Legislature. In fact, the Hon. Finance Minister is bringing up supplementary demands twice every year; if necessary, he can come even thrice and keep the Legislature informed of the progress of expenditure—of course there is nothing wrong in sanctioning in anticipation certain amounts, sometimes but only under

[Sri R. Suryanarayana Rao]

[24th March 1950]

exceptional circumstances. Much of the trouble with the 1946-47 accounts is due to the fact that such a paragraph must have occurred in many of the Government Orders issued in the last week or in the second or third week of March of that year. I should like him to have his department examine this point. It is only with a view to avoid these deviations that I am suggesting this procedure.

“ Another thing is that in November 1949 the Hon. Minister for Finance came to this House with supplementary demands for token amounts. It is because he came with token sums then, he has to come with larger demands now. As the note has made mention, this large sum of Rs. 7 crores and odd consists of two kinds of services—the old service for which he has already obtained a token demand of Rs. 100 or Rs. 200 as the case may be, and the new service. Unfortunately, it is not mentioned what the new services are, and we have to wade through a number of pages, 70 or 80 pages of this book, to allocate some demands to old services and some others to new services. It would have been very helpful to the Legislature if the Finance Department had given us what the amounts asked for in respect of old services are for which already approval has been given in the supplementary demands brought forward in November 1949 and what the amounts are in respect of new services. It would have been very helpful, and I am sure he will appreciate this suggestion and see that hereafter it is done. We can then base our remarks only on new services, because in respect of old services, we have already given our assent by accepting token demands for Rs. 100 or so, though on the quantum of those demands we may offer some remarks.

“ With regard to old services also, he mentions ‘ it is due to excess expenditure ’ and this observation also is made : “ The savings originally anticipated on account of retrenchment measures have not been fully realized and the expenditure under many grants is therefore now expected to exceed the net appropriation made in the Budget ”. That means in respect of old services, i.e., regular services for which appropriation was made in the Budget for 1949-50, he expected to have certain retrenchment measures carried out, and so made less provision ; but he now finds he is not able to carry out the retrenchment measures. May I ask him why he has not been able to carry out the retrenchment measures? Under every head or grant he says “ owing to various reasons retrenchment expected has not been accomplished in this department ”. Why is it that it has not been possible for him to do that, knowing as he does the finances of this province, knowing as he does the growing need for essential services,—why should he not have tried to retrench something more? May I know—I am doubtful when I put this question as to whether I am right—whether even the retrenchment measures for which he already took credit, viz., of Rs. 52 or Rs. 53 lakhs have been abandoned, in asking for these excess demands? I would like to have his assurance that at least to the extent of Rs. 52 lakhs which he gave in a statement, retrenchment has been effected.

24th March 1950] [Sri R. Suryanarayana Rao]

“ One of the items which figures most is the zamindari abolition. It seems to be a white elephant for this Government. A number of items under various heads are dispersed throughout the Demands, under Capital, under District Administration, under Land Revenue, etc., so much so that one gets confused; and if a total is made, it is a very respectable amount for expenditure under the zamindari abolition. We are, I think, living in a fool's paradise if we think that by spending so much money we are going to bring heaven on earth. We have more than once in this House pointed out that any expenditure incurred on the abolition of the zamindaris must be made good by those on whom new rights are being conferred. I repeat this and my hon. Friend the Leader of the Opposition has times out of number made mention of that. Those who are to get rights must be asked, and we have a right to ask them to pay something towards the rights they are acquiring, especially, as I said,—and I repeat—as most of them are intermediaries and not actual cultivators. Then again, last time I pointed out that a huge staff is being maintained for settlement operations. I made mention of the addition of the post of a fourth Board Member, with an I.C.S. Secretary and a host of Assistant Secretaries and a huge staff under them. Besides that, there is what is called the office of the Director of Settlements. I beg the Hon. Minister for Finance to examine whether when settlement operations were in vogue in this province, there was a Director of Settlement as well as a Member in charge of Settlement. There was only one Member in charge of settlement, a Board Member, and there were only settlement officers scattered all over the province wherever settlement operations were going on.

“ Then, Sir, another institution has come into existence for 4 p.m. Forests in the Zamindari areas. The Government have created a special post of a Conservator of Forests and a large number of officials under him. May I ask, Sir, is it not the intention of this Government that these forests should be integrated into the existing forests in ryotwari areas? If that is so, why not give the work to existing officers, if necessary, by a proper distribution of zones if there is one, it may even be divided into two, three or more—instead of having a Conservator of Forests at the headquarters in Madras and giving him some officers whose work he has to supervise throughout the Presidency? May I also ask, whether the Conservator of Forests is necessary at all and whether the Board of Revenue cannot supervise this work? Was not the Forest Department under the Board of Revenue formerly and that the Chief Conservator of Forests was only a recent creation? After all, you want to know what is the extent of the forests, their condition and how they should be regenerated. I think, a large amount of money has been budgeted for this purpose. At first, it appeared in the newspapers, that the idea was given up. But, somehow, the idea has been again revived. This Conservator of Forests will have to work under the Chief Conservator of Forests and not under the Fourth Member of the Board of Revenue for Zamindari Abolition and there is no possibility of integration either. May I also ask, Sir, Pudukottai, Banganapalle and Sandur have not been integrated but have you

[Sri R. Suryanarayana Rao] [24th March 1950]

got new sets of officers like the Estate Collectors, the Forest officers and so on for each State? You merely asked the existing officers of the contiguous districts to take over and manage them. In Pudukottai, a fairly big State, what have you done? You have created it into a Revenue division and put a Revenue Divisional Officer to take charge of what perhaps was being done by a highly-paid Dewan. I think, it is possible to effect retrenchment, at any rate, not to incur expenditure on such items and save this province from such burdens. If you go on with the Zamindari abolition at this rate we are going to land ourselves in difficulties.

"Now, Sir, I come to land revenue. Land revenue appears to be a fixed figure, or as the Hon. Minister is reported to have said somewhere, it is steadily dwindling, not slowly increasing. It has ceased to be the 'Kamadhenu' as the bureaucratic Government considered it to be. But the expenditure on land revenue administration is increasing day by day and that too in spite of the separation of the judiciary from the executive. This separation must bring down the cost of land revenue administration, because the Land Revenue Department ceases to be responsible for the judicial work of the Government.

"Sir, I have here a letter received by me from an esteemed friend who retired after a distinguished service. I would like to read it. No doubt, he puts forward an extreme point of view, but there is something that can be said in favour of the position he has taken. He says: 'Grow More Food is a meaningless slogan when the assessment on land is not reduced. . . .' Let Land Revenue go"

THE HON. SRI B. GOPALA REDDI:—"Is he cultivating some land? Perhaps he wants land revenue remission."

* SRI S. SURYANARAYANA RAO:—"Yes, he is cultivating land and he is living in a Malabar village."

SRI S. B. ADITYAN:—"May I know the name of the person."

* SRI R. SURYANARAYANA RAO:—"I do not like to give his name."

SRI S. B. ADITYAN:—"On a point of order, Sir. Is it in order to read an anonymous letter? Can the hon. Member be allowed to read it without giving out the name of the writer?"

* SRI R. SURYANARAYANA RAO:—"I take full responsibility for the views contained in it. In that letter there is much to be said in favour of what he says. He goes on to say: 'What a tremendous saving in expenditure will be effected! The village establishment can be abolished and the little work that will remain can be transferred to the new panchayat boards. The Board of Revenue can be reduced to a one-member Board. The number of Collectors may be reduced. The number of Revenue Divisional officers may be halved and they may become judicial officers or Subdivisional Magistrates'"

24th March 1950]

THE HON. SRI B. GOPALA REDDI :—“ Was he a member of the Retrenchment Committee? ”

* SRI R. SURYANARAYANA RAO :—“ No, Sir.”

DR. V. K. JOHN :—“ If it is a Government correspondence it is confidential and cannot be disclosed. So also this is a private correspondence and the name cannot be disclosed.”

* SRI R. SURYANARAYANA RAO :—“ As I said, it may be an extreme position. I would like to pass this correspondent's views on to the Hon. Minister while land revenue is a dwindling source of revenue, the expenditure on land revenue administration in the shape of district administration is going up, I would like these suggestions to be examined. The correspondent goes further : ‘ The number of Tahsildars may be halved and Deputy Tahsildars abolished. The Revenue Inspectors may go. The villagers would be saved the worry of visitations from an army of unwanted parasites.’ Sir, that is the feeling of those who live in villages. They are bothered with the visit of so many officials to the villages. What is it that has been done in the matter of retrenchment? The separation of the judiciary and the executive has taken place; I think, all that has to be ‘ settled ’ in the villages has been settled. But still we are simply maintaining a huge administration. There are courts and if somebody tries to enter another man's property, the Revenue Department does not go and give him relief; he has to go to a court of law to establish his claim and see that the other man is ousted. As a matter of fact, the Revenue Department does nothing except keep a record of all things. Yet, I think so much money is being spent on the basis of the past set up. I give these suggestions for the consideration of the Hon. Minister for Land Revenue.

“ Sir, I now come to Education. My Hon. Friend, the Minister for Education, has been this time more generous than his predecessors as far as the Universities are concerned. While he has been generous, one cannot help feeling that certain Universities get more grants because they have more pull with the Government, while certain other Universities do not get more, either on the ground that they did not submit their applications in time or they did not use their influence in such a manner in which the officials of the other Universities used. May I suggest again to the Hon. Minister for Education to revive the University Grants Committees. It was there once, but for some reason it was abolished, like many other institutions created and uncere- moniously abolished without any reason.”

THE HON. SRI B. GOPALA REDDI :—“ They were acting as super-Vice-Chancellors and super-Directors of Public Instruction.”

* SRI R. SURYANARAYANA RAO :—“ It is for the Govern- ment to tell them what their particular duties are. Let them find out what the functions of the University Grants Committees elsewhere are and then base their order on them. Once an order

[Sri R. Suryanarayana Rao] [24th March 1950]

is passed and duties laid down, I am sure those members whom the Government will choose will not arrogate to themselves the powers with which they are not endowed.

“ Then, Sir, I understand a Committee is sitting in regard to the revision of the Annamalai University Act. I would like the Government to examine the conditions of service of the staff, what is the amount that is spent on the teaching staff, what is the percentage of the expenditure to the total fee collections and what is the amount that is being set apart towards the various funds? My information is the University is starving the poor teachers without giving them adequate remuneration. I do not know what the terms of reference to the Committee are. I would like the Hon. Minister for Education to look into this matter, because when we are giving grants to the Universities we have a right to see that they are properly utilized. Unfortunately, there is no Inspection Committee Report for that University, whereas in the case of the Madras University, so also the Andhra University, the Inspection Committee goes round and insists that certain conditions of service should be followed in all the colleges affiliated to the University concerned. (The Hon. Sri K. Madhava Menon: There are no colleges in the Annamalai University to be affiliated to it.) That is why I request the Hon. Minister for Education that if the terms of reference to the Committee, which he has himself framed, if necessary, may be widened. He may look into this aspect also, so that that University which is founded out of the munificence of a Raja, an influential and generous Raja, may really serve the purpose for which the donor meant and that there may be a contented staff. I feel one of the matters to be looked into is, whether a lecturer is appointed for two years on probation, then on contract basis for three years and then either he is confirmed or his services terminated. That means, after five years a man can be sent away without any redress of his grievances. So, I would like the Hon. Minister for Education to look into this matter also. If the terms of reference do not cover this aspect, and if any section of the Act is to be amended, care should be taken to see that the interests of the teaching profession are safeguarded.

“ Sir, another thing that will be noticed is, while income from various sources is going up, expenditure on the Departments of Study is proportionately decreasing in percentage. My study of the figures discloses a sorry tale. I do not want to pursue the matter further.

“ Then, Sir, the Hon. Minister has provided for advance increments with weightage for past service in aided secondary schools, but he has added a rider to the effect, namely, ‘ if they could afford to do so ’. Sir, is the Hon Minister aware that there are many institutions which have not adopted the scales recommended by the Government and they have not even given dearness allowance as recommended by the Government let alone advance increments for past service. In this House I brought to the notice of the Government the case of an institution, with which you, Sir, are connected, namely, the Pachaiyappa's school

24th March 1950] [Sri R. Suryanarayana Rao]

at Chidambaram. While all the other schools in the locality have been giving the increased dearness allowance to their staff, the Pachaiyappa's authorities have not given. I do not know what action has been taken on it. I quote this as an instance and there may be other institutions like throughout the Presidency which have not been paying the rates of dearness allowance recommended by the Government. I would like the Hon. Minister for Education to insist on these aided agencies to give weightage for past services, as also the scales of salaries which the Government have recommended, though they are not the same as those which he gives to his own servants in the Education Department and see that the dearness allowance is given to these poor teachers on the scales that are given by the Government to their teachers.

"Then, Sir, for the first time since he became the Minister for Education, some building grants are given to aided schools. We are thankful to him for that, but I want to know with a grant of Rs. 3,91,000 which he has provided how many schools can be built? It is a very small sum and perhaps not more than a dozen schools can be helped with this amount."

THE HON. SRI K. MADHAVA MENON :—"Provision has also been made for it in the original Demand."

* SRI R. SURYANARAYANA RAO :—"No doubt provision has been made in the original Demand and it is about Rs. 10,00,000. But, I would repeat a suggestion which I made once before. My suggestion is the Government should give the entire cost to the management one half as a free gift and the other half as loan. For instance even if you give Rs. 10,000, the managements in most cases may not be able to raise the other Rs. 10,000. Your limit is, I think, Rs. 30,000 and you will not give more than Rs. 25,000 or Rs. 30,000 for each school. If the cost of the building goes to more than double the amount, the managements have to find the remaining amount. Even to find their share of the cost of the building they find it difficult and the grant itself is usually given after the completion of the building. In this connexion I would like to make a suggestion, a suggestion which was made by the late Dr. Savori when he was the Director of Public Instruction, that is the giving of building grants in the shape of gifts and loans. A scheme was worked out by him, it was sent to the Government and I was told by the Hon. Member, Mr. Avinashilingam Chettiyar, when he was Minister in charge of Education, that the question was under consideration. What has happened to it since, I do not know. So, I would like the Hon. Minister for Education to look into this and see whether anything could be done.

"Then there is item (ix) regarding the revision of teaching grants and the admission of dearness allowance as for Government servants. May I draw the attention of the Government to the fact that in this regard, a great deal has to be done. Several of these poor teachers have not been able to get the grant that the Hon. the Minister for Education expects them to get. Let me in this connexion refer to the memorandum submitted by the

[Sri R. Suryanarayana Rao] [24th March 1950]

South Indian Teachers' Union to which the Hon. Minister referred yesterday in the other House in which they have pointed out how the Government Order issued in 1947 has been given effect to by 19 managements only since 1947. Unfortunately, I have mislaid that document but I would like him to examine it and insist on the schools giving effect to the orders instead of letting them remain as merely as orders on paper."

THE HON. SRI B. GOPALA REDDI :—" Supposing they are unable to do it, what does the hon. Member want us to do about it? "

* SRI R SURYANARAYANA RAO :—" If they are unable to do it and if the Government are satisfied of their inability to do it, then they must come forward and help them with grants; otherwise, what is the use of maintaining schools with discontented teachers who have not enough to eat? It is a big question; but you have to face one day or other and there is no use trying to shirk it. One day or other you have to face it and other countries are trying to face it. Even in England, they are pursuing this matter and they are trying to solve it. I would request the Hon. Minister for Education to look into that Memorandum and see whether it is possible for the Government to see that their orders are respected by all managements.

" My hon. Friend Mrs. Hensman and I and many others must have been flooded with letters from teachers' associations complaining that they had not received their grants for the last quarter. We were told by the Hon. Mr. Avinashilingam Chettiar that he was making arrangements for the monthly payment of grants. We are in the beginning of March but still the teachers have not received their grants for January and February. It is not in one place, it is not merely in Tindivanam and I get letters from other places and I request the Government to see that the poor teachers who are always forced to be indebted owing to the insufficiency of their salary, get their salaries in time.

" I now come to another matter regarding which the Hon. Minister for Education at one time was of my opinion but perhaps after he became a Minister he has changed it. That is with regard to the assistance to local bodies for the spread of elementary education. You might have seen, Sir, that the Corporation of Madras is making Herculean efforts for the spread of elementary education in the City of Madras. The education budget which they presented the other day to the Council of the Madras Corporation showed how anxious they were to make provision for the education of all school-going children. While our average is 32 to 38 per cent in the matter of the school-going population, their is more than 60 per cent. We have to congratulate the Corporation. But what is it that they have been complaining about. While their share was 15 per cent of the property tax, the assistance given by the Government only comes to 8 per cent of the property tax. You are going to make permanent the Act of 1942 by which the liability of the Government to pay an equal amount has been removed and you promise

24th March 1950] [Sri R. Suryanarayana Rao]

in the next sentence—it has been published in the Gazette—that you are bringing forward another measure to give greater assistance to the local bodies. I say, Sir, it is enough if you restore the old Act and thereby assure an equal contribution. Why are you afraid? ”

THE HON. SRI B. GOPALA REDDI :—“ How can it be done when the cess then collected was only 6 pies and now in these days it is 26, 36 and now 37 pies.”

* SRI R. SURYANARAYANA RAO :—“ What was your revenue from taxation then and what is your revenue now? Comparisons are odious and let us not indulge in them. When the local body is perfectly willing to tax itself and is prepared to meet its share of the cost for the spread of elementary education, it sounds reasonable that the Government should go to its aid with an equal amount of contribution for the maintenance of schools. Because certain changes were brought about during the war time, you must not retain them. Have you retained all the things that the Adviser Government did? Have you not upset some of the arrangements made by them and why not you upset the arrangement they made with regard to the giving of grants and give the local bodies equal grants in order to enable them to work for the spread of elementary education in the province? The point is whether they have taxed themselves and the circular goes out from the Inspector of Local Boards to each district board to increase their education cess; they are willing to do it. But what is your contribution? Your contribution will remain the same. You had better increase your contribution; you tell them: ‘ You raise Rs. 10 and we will give you ten and see that Rs. 20 is properly spent for the spread of education. Otherwise the directive principle of State policy will only remain as an ideal to be reached not within ten years but perhaps within a hundred years or it will remain an ideal for some generations to come. I would like this Province to have the privilege of being the first, as in the case of Prohibition, of having free and compulsory education for all school-going children before the end of ten years as laid down in the Directive Principles of State.

“ There may be other speakers and I do not want to stand in their way, Sir, and I will only refer to cottage industries.”

DR. V. K. JOHN :—“ According to Rule 126, the Governor shall allot one or more days for discussion. We have been allowed only two hours and two hours according to me is not one day.”

SRI P. R. K. SARMA :—“ One day must be more than two hours.”

DR. V. K. JOHN :—“ Only three of us are speaking, for want of time.”

* SRI R. SURYANARAYANA RAO :—“ As other hon. Members are anxious to take part in the discussions, and as the Hon. Mr. Madhava Menon said that we have another opportunity under the Appropriation Bill to touch on these points to which

[Sri R. Suryanarayana Rao] [24th March 1950]

we are not able to refer to-day, I will only refer to one thing, to which I referred last time, namely, the development of cottage industry. There are too many agencies, the Deputy Director of Cottage Industries in the Industries Department and then there are the Firka Development officers also. The Retrenchment Committee suggested that there should be one officer who should be made responsible for all rural development work including Firka Development. Firka development does not mean putting two roads here or digging some three wells there; it means the economic uplift of the people in the firka. That is possible only by means of a co-ordinated and integrated plan for the development of villages. My fear is, Sir, that the Firka Development Officers are not competent to suggest any cottage industry. There are people who are competent to say what industries could be started in particular places, how it could be helped and developed. The Deputy Director of Cottage Industries produced a big scheme in 1946 and we thought it was going to bring about a miracle but all in a sudden, the whole thing has evaporated and now a new scheme has come. What we beg of the Government is to know that we are equally interested, whether we are in the Opposition or belonging to the party in power and we are supposing that the State is equally interested in rural development. Let us have an integrated plan of development; let there not be different departments attending to different things and let it all be concentrated and co-ordinated so that the utmost benefit may be derived by the people, perhaps at less cost. We have made out a case and my Hon. Friend the Minister for Finance would, I think, accept this retrenchment measure which leads to reorganization with better results, though it may mean the sending away of a few officers and peons here and there. In the ameliorative scheme under Prohibition, there is the scheme for cottage industries for ex-toddy tappers. I say, Sir, whether they are toddy tappers or field labourers, they are villagers and village development must comprise the development of the economic condition of all villagers whatever may be the community or calling of the villagers may be. There is no use providing lakhs for such things and wasting them without any results. With an integrated plan of rural development, you could have achieved much more. Let us take also khadi production; it must also come under this integrated plan of rural development. If we do that, I am sure much more can be accomplished and we can bring hope and cheer into the hearts of these poor people and enable them to live happily.

“ I have some more points, Sir, which I shall reserve for the 30th which the Hon. the Finance Minister has agreed to give us.

“ We have been reading a great deal about linguistic bias in making provision for the various schemes of Government. I do not know how the linguistic bias can be introduced in making provision for the nation-building activities of the Government.”

THE HON. SRI B. GOPALA REDDI:—“ Even districtwar basis? You do not want districtwar basis? ”

24th March 1950]

* SRI R. SURYANARAYANA RAO :—“ I do not understand it, Sir; I want to say that wherever there is need for assistance, it must be forthcoming from the State. We read that the Hon. Minister in charge of Irrigation was accused of some linguistic bias in making provision for schemes. I am a suppliant like many others and go to the Hon. Minister for Public Works but I have never found him introducing this linguistic bias in either rejecting my requests or accepting them. All that he is anxious and we are equally anxious is that money should be usefully spent and the results must be beneficial to the largest number. I happened to be sitting in the Visitors' Gallery in the other House during the discussion on the Irrigation Demand when the Hon. Minister was repudiating the charge of linguistic bias. I must beg of him not to worry himself about such charges. What does it matter if a solitary raven croaks here and there; let him hear it not but proceed with his schemes undeterred by interested criticism. Let him see that where there is need for assistance, it is forthcoming; and let the consolation of this Government be that they have done what they could and let the results take care of themselves.”

* DR. A. LAKSHMANASWAMI MUDALIYAR :—“ Sir, as the debate is to be closed at five o'clock, I do not wish to take up much of the time of the House. This supplementary budget that has been presented to us, would, in previous years, have represented the entire budget of the Province. The various Demands under which this supplementary budget has been presented, present us with problems so wide and varied that it is hardly possible for members to analyse them beforehand. Sir, I feel this Council which gets a chance only to discuss the Demands and not to vote upon them, has not been given even that little chance in full. 4-30 p.m.

“ Sir, speaking about the supplementary budget itself, it is put down that the total grant asked for is to the tune of Rs. 7,88,59,600. But in effect it is much more than that. For this amount is made up of several token grants, each of which is represented by the amount of Rs. 100. On a calculation made, I find that out of forty heads of Demands, there are as many as 102 token grants of Rs. 100. With my limited knowledge of budgeting I could say that the actual amount that would have to be spent on all those 102 items, for which there is only a token grant, would be much more. The result would be that the total amount that would be spent on this supplementary budget would be very much more than what it really had been made out. Sir, the House is confronted with so many token grants for Rs. 100 that we Members are not in a position to know what exactly are the financial implications of the token grants, for which we are now asked to give our seal of approval. This is a matter which causes some amount of anxiety to those who know that these token grants are asked by departments so that they can spend any amount without the sanction of the Legislature.

[Dr. A. Lakshmanaswami Mudaliyar] [24th March 1950]

“ Along with these numerous token grants, there is another curious feature in the supplementary budget, namely, the use of the words ‘ new Services ’. In cases where there is nothing at all to suggest any expenditure on new services, we find those words being used and Demands put forward. For example, I can certainly see nothing of a new service in asking for eight Land Rovers instead of eight Jeeps. (Laughter.) I for one by no stretch of imagination can see how this is a new service. I can multiply such instances, but in view of the time-limit I do not wish to do so.

“ Then, there is a serious danger, of which the Hon. Finance Minister and the other Ministers also should take note. Whenever a token Demand is put forward, it is a *carte blanche* issued to the department concerned to use an amount which may not have been then arrived at, but which may ultimately turn out to be in excess or deficient of what is asked then. What very often happens is, when a token grant is sanctioned by the Legislature, the department concerned does not exercise the required measure of check on the amount that is to be spent. They run away with the impression that they have a wide field for their plan irrespective of considerations of finance. If, on the other hand, definite schemes are placed before the House, it may scrutinize them thoroughly and it may offer responsible criticism on them which might be of guidance to Ministers. I cannot help remarking in this connexion that this method of providing for token grants, even in cases where it is possible to estimate the expenditure, is due to the dilatoriness on the part of the Secretariat. To my knowledge and in my experience, a token grant is moved, when the department concerned is preparing for a new scheme, say, an irrigation scheme or an electricity scheme or for the construction of certain big buildings, where it is not possible to give a definite estimate. But when the proposals are complete, they come forward before the House in a definite form, and their full implications are explained to the Legislature and what the total expenditure is likely to be incurred. I am not quarrelling with the possibility that the estimate amount may perhaps be exceeded when the expenditure is actually incurred. But I do feel that the Finance Department and the Ministry concerned will not be in a position to exercise that due amount of control that ought to be exercised if a freelance method of budgeting is adopted by the Legislature. I feel there is some danger in that. The token grants may ultimately reach the figure of ten crores instead of eight crores, as is now anticipated, or whether it will exceed even that figure also. I am not in a position to say.

“ Then again, Sir, when Government come to ask for supplementary grant, large questions of policy should not be introduced without a reasonable time for debate being allowed to the legislature on it. And even in those cases where we have accepted the principle of the scheme, there should be a method by which Government would have to come before the House when large sums of money are to be spent on the scheme, and tell us ‘ this is our plan ’

24th March 1950] [Dr. A. Lakshmanaswami Mudaliyar]

and ask us for our comments on it before proceeding with the task. Regarding the method of control, there may be difference of opinion. I find, for instance, a token grant for an expenditure of Rs. 6,87,700 under Establishment has been suggested for the Ceded Districts to enforce Prohibition. Now, it may be right or it may not be right to spend that money. There may be difference of opinion on that. But the fundamental issue whether such an expenditure should be incurred on additional staff only for Prohibition or whether that expenditure could be incurred for increasing the Police so that they can deal with Prohibition offences as well as other matters, is a matter which deserves to be considered. When we have in nine districts the Police to enforce Prohibition, to engage Prohibition staff in five other districts for that work and thereby incur an expenditure of nearly seven lakhs, and which expenditure will mount up from year to year, is a matter which should be discussed. In the same way, there are several other matters included in the supplementary budget which have to be discussed at great length. So, Sir, to bring all these things together and give two hours time only for them, within which we are expected to discuss them fully and freely, is not quite fair. Government could have brought forward the question of Prohibition staff before the House in the form of a resolution, that with a view to enforce Prohibition it is necessary to appoint Prohibition staff sufficient in strength for this purpose and ask us to authorize Government to do so. There would have been a discussion on that then, and probably some of us would have supported Government in view of the difficulties that have to be faced. My point is to bring in a Supplementary Demand on such an important issue and not to give us an opportunity to us to discuss it in all details is not really helping Government, which we have a right to do in these matters.

“ Let me take the question of Forests, to which Mr. Suryanarayana Rao referred. Government are taking over private forests and they want sanction for the employment of staff. A token grant is brought forward for a staff which will cost Rs. 1,61,600. What it will cost in future years, I do not know. Take again the Zamindari Abolition Act. We were in high glee to abolish zamindaris; people were expecting a new Heaven thereby. Zamindaris have gone, and the Heaven is yet to come. The Heaven has come in the shape of appointments to a large number of people; and the Heaven has not come in the shape of relief to the taxpayer. Sir, the Hon. Revenue Minister is not here. The Zamindari Abolition Act and the Rent Reduction Act which this legislature has passed with such haste, where member after member vied with each other in pressing for those measures, have cost this Government several lakhs of rupees. The expenditure incurred in 1949-50 for training eight persons in the work had cost Rs. 1,54,000. It looks as if money does not count in face of the abolition of zamindaris. Then there is a token grant for Rs. 300 in three items of Rs. 100 each; and this is to pay compensation for the religious, educational and charitable institutions in estates. I ask Government what is there preventing them from giving the actual figures? When the Zamindari Abolition Act was passed, the then Revenue Minister, Mr. Kala Venkata

[Dr. A. Lakshmanaswami Mudaliyar] [24th March 1950]

Rao and the then Premier gave us a full promise that these educational, religious and charitable institutions would not suffer and the amount of loss sustained by these institutions would be made good by Government. There was enough time for the Secretariat since then to look into the matter and arrive at the correct figure, if need be, even after correspondence with the necessary authorities and let this House know exactly how much it would cost the taxpayer to go to the rescue of these institutions; and yet, we are asked to vote a token grant of Rs. 300, with no idea whatsoever of the ultimate financial liability for this Province! Then, again, Sir, with regard to the items for increase of staff to implement the abolition of zamindaris, a number of posts is created by way of establishments and subdivisional establishments, and the amount comes to Rs. 6,09,000. So, instead of abolishing zamindaris and giving us relief Government are increasing taxes on the poor man; and if funds are to be provided, the Hon. Finance Minister has no alternative but to come to the House for some form of taxation or other. We are grateful that he did not come to us this year; but I am afraid he will have no alternative but to do so next year. Because in the manner in which the Zamindari Abolition Act has been passed without proper consideration of all factors, this Government has no alternative but to go on increasing the expenditure on the administration of the zamindaris. I ask Government, 'if you are going to ask us to vote eight to ten lakhs for expenditure on these estates, have you no corresponding responsibility to tell us as to how this Abolition Act is working?' Have Government given any attention as to what would be the income they would derive from the zamindaris and what would be the expenditure on them? Sir, zamindaris were being managed in a sparingly manner. All on a sudden the whole machinery of Government has been set in motion to manage them. And how are they going to meet that expenditure I repeat, have Government paid any attention as to what is the income and expenditure from them? There are no data with regard to these. Whom does the Zamindari Abolition Act help. It is not the Government, it is not the tenant; then who is it that is benefited? Is it, as the Leader of the Opposition said the other day, the middleman? If it is the middleman, is the tax-payer going to pay for the benefit of the middleman? If so, how is this expenditure to be met? Sir, empty words, all the promises of Government, have turned out to be!"

DR. V. K. JOHN :—"Sir, either we must be given time to speak all we want to say, or, we shall not take part in the debate; because where a whole day ought to be assigned, only an hour and a half have been assigned for an important matter. Every time when Dr. Lakshmanaswami Mudaliyar speaks he has to say that he has to compress facts as there is not sufficient time. I may tell you, Sir, myself and the Deputy Leader do not propose to speak, if no time is granted. Where several crores are involved and where a whole day ought to be allotted, we are given only an hour and a half."

* DR. A. LAKSHMANASWAMI MUDALIYAR :—"I am grateful to the Leader of the Opposition for what he has said. But

24th March 1950] [Dr. A. Lakshmanaswami Mudaliyar]

I could have utilized those few minutes, if he had not intervened. (Laughter). Then, Sir, I find under Grant XI, under item (xii), eight Jeeps were transferred to the Agricultural Department in December 1948 to the eight Special Deputy Collectors for Wells for their use on work connected with the Well Subsidy Scheme. Apparently these Jeeps were given away because they were not working properly. Further it was ordered that the Special Deputy Collectors should lend these Jeeps to the District Agricultural Officers whenever required. But as this arrangement did not work satisfactorily eight Land Rovers were ordered to be purchased for the exclusive use of the Special Deputy Collectors. (I do not know what these Land Rovers are!) And they were ordered to return these Jeeps to the District Agricultural Officers! What the result of all this will be I know. The Agricultural Department will say, 'these Jeeps are perfectly useless, as several parts are missing'! And so they would request that Land Rovers may be supplied to them also. (Laughter). Sir, no doubt, this is a small point. But I emphasize it as one that requires careful scrutiny. One important fact emerges out of this: and that is where financial expenditure of such a nature is involved it is there that some of us feel that a discussion on them should be afforded to this House.

"The Finance Member was the ultimate authority. No scheme, whatever its importance, was sanctioned unless it passed through the Finance Ministry. I use the word 'Ministry' advisedly because it was not the Finance Member who exercised control but the Secretariat of the Finance Member. I remember well that on a particular occasion a scheme was held up by the Finance Member till the Governor invited him to a dinner and late in the night for obvious reasons and got his consent. Such a thing is not possible in these days. Still I think that the Finance Minister should have sufficient control over the finances of the State. He can exercise his financial power in a liberal manner but at the same time in a strict manner. 4-45 p.m.

"I will refer to one more instance and that is the item relating to the building of the Engineering College at Coimbatore. I know the whole history of the College and I would like to refer to it in detail. I am afraid that the Hon. Minister in charge may not know this. When in 1945 it was proposed that an engineering college should be established, donations were received from the Mill-owners Association. The University authorities went and inspected the proposed location of the college and recommended that, while it might be located in the temporary buildings to start with, permanent buildings must be erected in the site in which the Agricultural College and the Forest College were located. It was not with a view to favour the Engineering College that we made this suggestion. We as academicians felt that the close proximity of the Engineering and Agricultural Colleges would be for the benefit of each other. Engineering has got a very important part to play in agriculture. There are many experiments in agriculture which can be conducted only with the help of an Engineering College. We suggested at that time that one hundred acres of land might be given for constructing the permanent buildings of the Engineering College out of the six hundred and odd acres that were available in

[Dr. A. Lakshmanaswami Mudaliyar.] [24th March 1950]

the Agricultural College Estate. But the Agricultural Department, as is usual with most of our departments, non-co-operated. It is not my Friend, the Minister for Agriculture, who non-co-operated. He has no idea of non-co-operation except that he can speak about it. The department non-co-operated to such an extent that we held a conference to discuss the matter in which I maintained that there was nothing to be lost by the Agricultural College giving one hundred acres out of the six hundred and odd acres. I visited the place twice and found that there was enough land available which was not used for conducting model agricultural farm. With great difficulty, the department gave about 46 acres. There was a great deal of discussion about giving the other 50 and odd acres. The Agricultural Department stood firm. What is the result? The Government had to spend Rs. 5 lakhs for the acquisition of 49.66 acres of private land nearby. With this Rs. 5 lakhs, the Agricultural College could have got 250 to 300 acres of land in or very near Coimbatore municipal limits. Why should the Government spend Rs. 5 lakhs for acquiring less than 50 acres when Government land was available? Why should the Agricultural Department obstruct the proposal?

“ With regard to temporary buildings, it is a sore point with me. In 1948 in a conference at which the Minister then in charge of the subject was present, I said that there was no reason at all why temporary buildings should be erected at a cost of Rs. 3 lakhs according to the then estimate, and that the Government could proceed with the construction of permanent buildings and complete the work in the course of one year which was the period for which the temporary buildings were taken on lease. I visited Coimbatore only the other day and found that more than Rs. 5 lakhs had already been spent on the temporary buildings, and I am sure some more amount will have to be spent. When the buildings are completed, neither the College nor the University or the Government will feel satisfied with them. Permanent buildings have to be erected. It is in this respect that a certain amount of co-ordination between the Heads of Departments at the ministerial level will be very useful. These things may pass muster and I have no desire to obstruct them. By co-ordination at the top level, a considerable saving can be effected and the money so saved can be diverted for more useful purposes. We are struggling to get money for educational purposes—school grants, college grants and university grants. I would suggest to the Hon. Finance Minister and the Hon. Education Minister to scrutinize every scheme minutely so that unnecessary expenditure of this nature is not allowed in future.

“ I was speaking about token grants. I find that this Government have agreed to contribute Rs. 5 lakhs towards the National Defence Academy at Kharakvalsa near Poona. When they have agreed to contribute Rs. 5 lakhs, I do not see any purpose in asking for a token sum of Rs. 100. They could as well have asked for a grant for the entire amount. My ignorance of the implications of a token grant makes me feel that it would have been better if this procedure had been adopted.

24th March 1950] [Dr. A. Lakshmanaswami Mudaliyar]

"There is one other matter on which I would like to speak. The hon. Member Sri R. Suryanarayana Rao also referred to it and that is about the development of village industries. Everyone is anxious to develop village industries. May I, with your permission, say that very few of us have got any real idea as to how to develop village industries, what the industries are that could be developed and how to utilize the products of those industries. The first and foremost requirement for the development of village or cottage industries is electricity. I have visited other countries where cottage industries have been developed. I have been through Switzerland more than once. We need not go in for basket-making and weaving mats; that is not what is meant cottage industries. Cottage industries consist in the production of small industrial products which can be assembled in big centres and then sent up. We speak so highly of the Swiss watch which has got an international reputation. There is no company which makes the Swiss watch as a whole. The manufacture of each part of the Swiss watch is assigned to a particular village and the cottages in that village do the work with the aid of electric power and the machinery that is supplied by the Government. All these parts are assembled at Zurich, Geneva and two or three big centres and thus the Swiss watch is turned out at the rate of one per every minute. There must be some such co-ordinated plan for the development of cottage industries in the State. Weaving and spinning can be introduced as cottage industries. Cottage industries can be developed provided the officer-in-charge of them knows the industries, has travelled extensively and studied the subject and has got imagination enough. It is no use of posting an officer and asking him to develop cottage industries when the first thing he has to develop is a clear idea of what cottage industries are. In spite of four years' talk of village industries, cottage industries and rural development, I regret to say that nothing tangible has been achieved so far.

"Lastly I should like to know what has happened to the dental school that was promised. The Hon. Minister for Health said somewhere that there was going to be no dental school. I do not know whether his speech was correctly reported in the Press or not."

THE HON. DR. T. S. S. RAJAN :—"What was proposed was not a dental school but a dental wing attached to the Medical College and the General Hospital, Madras, where students could be trained in Dentistry.

DR. A. LAKSHMANASWAMI MUDALIYAR :—"I am glad to hear this answer. I did not make any distinction whether it was a separate school or a wing attached to the Medical College. All that I am interested in is the production of Dental Graduates of proper calibre. Training in Dentistry is a long-felt want and I hope provision will be made for it. I see that there were two schemes before the Government—one suggested by the then Professor of Dentistry who was recruited on a contract basis which contemplated provision for training 25 students at an estimated cost of Rs. 1.22 lakhs per annum recurring and Rs. 5.66 lakhs non-recurring and the other suggested by the Surgeon-General which

[Dr. A. Lakshmanaswami Mudaliyar] [24th March 1950]

contemplated provision for training 15 students at an estimated cost of Rs. 50,100 per annum recurring and Rs. 3.55 lakhs non-recurring. The Government accepted the scheme suggested by the Surgeon-General. I have not been able to analyse the economics of these figures but I do certainly feel that it would have been far better if the Government had accepted the scheme which provided for the training of 25 students instead of the one which provided for the training of 15 students considering the fact that there is a great demand for qualified dentists.

"In this connection, may I say that it is very essential that we must get a fully qualified Professor of Dentistry who has had previous teaching experience? I understand that the Professor who was recruited on a contract basis for a period of three years has already left, because he was given no promise of the continuance of that contract. It is very unfortunate because to my knowledge he appeared to be a very experienced man who had been in the teaching profession in the only Dental College in India affiliated to a University and that is the Punjab University. However, I hope that the Government will secure the services of a well-qualified and experienced teacher for the dental wing attached to the Medical College and General Hospital. Otherwise the training that is given will be far from satisfactory.

"I do not want to take up any more time of the House. I would request the Hon. Finance Minister and his Colleagues to take these criticisms in their proper light. Under the new Constitution, this House will have a potent voice like the other House in the passing of the Finance Bill. In future the Government will have a much more difficult task and they should consider it as their first and foremost duty to educate the Legislators on the schemes that they propose to implement either by bringing forward resolutions or by issuing white papers and give reasonable opportunities to the Members for discussing them. Whatever may be the ultimate shape of things to come, the Government will lose nothing by giving an opportunity to the Members to express their opinion. On the other hand, the Government will stand to gain considerably by the useful suggestions made by the Members. I venture to hope that the Government will address themselves to the task in that spirit."

THE HON. DR. T. S. S. RAJAN :—"May I bring to the notice of Dr. Lakshmanaswami Mudaliyar through you, Mr. Deputy Chairman, the following fact? The Professor that has been sent out of the Dental Department could not be retained because he demanded a very fancy salary if we are to continue to utilize his services. The Government were not satisfied that he deserved the salary that he demanded, and therefore we could not accept his demand. He wanted to leave if his demand was not complied with and therefore he left."

DR. A. LAKSHMANASWAMI MUDALIYAR :—"All that I wanted was to impress on the Government the absolute necessity for securing the services of a well-qualified Professor with teaching experience for this new Department of Dentistry, whatever might be the cost involved."

24th March 1950]

JANAB ABDUL LATIF FAROOKHI :—“ Sir, I rise on a point of information. On account of paucity of time, many Members have to give up speaking on this important subject. Therefore, may I know whether Members who have not taken part in the discussion to-day, will be allowed to refer to supplementary demands on the 30th March when the Appropriation Bill will come up before the House? ”

THE HON. SRI B. GOPALA REDDI :—“ As a compromise, we may do that.”

* DR. V. K. JOHN :—“ In all seriousness we expect you as one occupying the Chairman's place to preserve and promote the usefulness and dignity of this House. You should not allow Supplementary Demands amounting to as much as Rs. 8 crores and more to be rushed through within an hour and a half. I do not know why the privileges of this House are not protected by you. If such a thing is going to be repeated, we do not want to speak on the demands either to-day or on the 30th.”

THE HON. SRI K. MADHAVA MENON :—“ We would like to know when the Leader of the opposition is serious and when he is not.”

THE HON. SRI B. GOPALA REDDI :—“ This repetition of threat of non-co-operation on the floor of the House must cease.”

* DR. V. K. JOHN :—“ This attitude that the Opposition can be muzzled by not giving the Members adequate time to speak should also cease. But it does not cease. I protest against this and this should not happen any more. Under rule 126 of the Council Rules, the Governor shall allot one or more days for the discussion of supplementary or additional demands. One day does not mean one hour and a half according to the English language. When the rule prescribes a minimum of one day, the Ministers have advised the Governor to fix an hour and a half without even consulting the Leader of the Opposition.”

THE DEPUTY CHAIRMAN :—“ The programme of sittings was given to the hon. Members several months ago. The Leader of the Opposition had sufficient time to bring to the notice of the Government that the time allotted for discussion of these Demands was not adequate.”

* DR. V. K. JOHN :—“ Sir, you as Chairman should see that opportunities are given to the Members to express their views for preserving the usefulness, dignity and prestige of the House.

“ Now, Sir, the first thing you will find is that these demands 5 p.m. for grants for further expenditure have been brought before this House at the fag end of this year . . . ”

SRI R. SURYANARAYANA RAO :—“ May I know, Sir, whether we will be in order if we proceed with our discussions beyond 5 o'clock, when His Excellency has already fixed the hours? ”

[24th March 1950]

THE DEPUTY CHAIRMAN :—" His Excellency has only said, ' afternoon '. Therefore I think we can proceed with the debates for some more time."

THE HON. DR. T. S. S. RAJAN :—" ' Afternoon ' means only till 5 p.m. Sir, and unless it is the desire of the House to sit longer. I do not think we can proceed with our discussions beyond 5 p.m."

THE DEPUTY CHAIRMAN :—" I think we may all agree to sit for a few more minutes and be done with these supplementary demands for grants."

THE HON. SRI B. GOPALA REDDI :—" I think, Sir, we must have some idea as to the time that the Hon. Leader of the Opposition would take to finish his speech. I do not think, Sir, it is desirable to prolong the discussions, and it is better that we have a time limit."

DR. V. K. JOHN :—" (Sitting) I shall take as little time as possible, Sir. But in the atmosphere that is created, I doubt whether it is worthwhile taking any time at all, Sir."

SRI M. NARAYANA RAO :—" May I know, Sir, whether the hon. Leader of the Opposition is in order in speaking without rising up from his seat? "

THE DEPUTY CHAIRMAN :—" It is a good point of order indeed. The hon. Dr. John will now speak and the Hon. Minister will reply at the end."

* DR. V. K. JOHN :—" Mr. Deputy Chairman, Sir, I hope that this kind of treating the House, in the manner in which it has been treated may not be repeated any more. Sir, I want first of all to point out to the Hon. Finance Minister that when we criticise the Government, when we speak on these supplementary estimates and make any remarks thereon, it is with the purpose of assisting the Government that we offer those criticisms and suggestions, and not to discredit them or to replace them. If these criticisms are useful, they may take them for what they are worth. If our suggestions are useful, they may adopt them, if they want. It is in that spirit that we make these criticisms and suggestions."

" Sir, the first characteristic of these supplementary demands for grants is that the figures of expenditure shown therein are staggering. You find on the ' Revenue Account—Voted ', the amount asked for is Rs. 4,76,53,700 and on the Capital Account, it is Rs. 2,26,13,500. Again on Disbursement of Loans and Advances, the figure is Rs. 71,98,900. My hon. Friend Dr. Lakshmanaswami Mudaliyar who has taken some pains to study these figures has pointed out that most of these figures are not correct at all. There are a very large number of token grants. He also mentioned that in certain items where the figure of Rs. 100 has been put in, they are simply token sums and that they would really come to some lakhs of rupees. Sir, if you refer to page 10 of this Supplementary Demand, you will notice that the total figure that

24th March 1950]

[Dr. V. K. John]

is given therein is only Rs. 500 made up of five items of Rs. 100 each. But in the explanatory note under it, it is stated that the total cost on account of additional staff is Rs. 8,88,870, recurring and Rs. 93,700 non-recurring. So that, Sir, if it is not unparliamentary, I would say that these figures are all fraudulent and the real expenditure would come to several crores of rupees over and above the actual figures given totalled under various heads. I do not know why the Government are adopting this method of asking for token grants, when they do not know what exactly the estimated expenditure or expenditure actually incurred is. Therefore, Sir, we are not able to get a correct idea of the real position. Sir, in the memorandum it is said, 'In respect of expenditure upon some "new services" not contemplated in the budget, the practice is to present a demand for a token sum of Rs. 100, if it was found possible to meet the balance of expenditure by re-appropriation from savings within the grant.' That is to say, Sir, if it was found possible to meet the balance by reappropriation from out of the savings, then it is put down as a token sum of Rs. 100 in these demands for grants. But here they have put down Rs. 100 token grants not by re-appropriation from savings, but for new expenditure for crores and crores of rupees. I submit, Sir, that this is not only irregular, but also illegal. The Government must come to the Legislature and obtain its sanction before spending these amounts. The House must know what the Government are going to spend in the course of the year. If they find that it is not possible for them to estimate the expenditure correctly at the beginning of the year under a particular head, then perhaps they come before the Legislature with a token grant if it is covered by re-appropriation. In fact, they have got the first demand sanctioned, which contained a number of token grants. They assured the Legislature that they were only re-annropriations and that they were not asking for any new grants. But now at the fag end of the year, when the financial year is almost closing within a few days, they come before the House and say, 'We have spent crores and crores of rupees. Please give your sanction'. It is a *fait accompli*. Therefore, Sir, these figures are not only staggering, but several of them are not also correct and they may be double or even treble of what are shown here. Forty-one demands are contained in this supplementary demands. Now I ask the Government, 'Is it proper for you to come before this House at the fag end of the year and ask its sanction for so huge an expenditure already incurred? If you have no idea of the estimated expenditure at the beginning of the year, then do not come before the House with token grant and say that they would be met by re-appropriation from savings under the existing grants. The Hon. Finance Minister took pride in his speech and remarked, 'Oh! these are the figures of the previous years. Are not the figures for this year less than previous years?' And he tabulated the figures for 1947-48, 1948-49 and 1949-50 and said, 'I am only asking for Rs. 4.76 crores for 1949-50 which is considerably lower than previous years.' I ask, what about the token sums of Rs. 100 which has been multiplied under almost every item of

[Dr. V. K. John]

[24th March 1950]

grant? Is this the way to present a supplementary demand before the Legislature? The expenditure already incurred without the sanction of the House is so huge that it is most improper for the Government to come before the Legislature at the fag end of the year and ask for its sanction, for huge amounts already been spent. Having spent so much amount, they want to collect it from everywhere and by every means. Sir, I said once in this House that even the beggar's bowl is being taxed to-day. Sir, taxation is a delicate matter. There must be a scientific and balanced method of imposing taxes. To-day even if a beggar goes round the streets and collects 8 annas or 10 annas and goes and buys anything, he has got to pay a sales-tax on it. That is the position to-day. Is this the sort of Kamadhenu that you have got to fleece anybody and everybody? But this is what is being done and I do not know what answer the Hon. Finance Minister is going to give. In none of the items is there any correct estimate. The Hon. Finance Minister in his recent budget speech said that last year he expected a deficit of Rs. 391 lakhs, but that later on it was found to be a surplus of Rs. 53 lakhs. That is how estimates have been prepared. Unfortunately the Hon. Finance Minister has to take the responsibility of all the figures supplied by his department. According to the figures given to him, he expected a deficit of about Rs. 4 crores and at the end, it had resulted in a surplus of 53 lakhs. The disparity between the budget figures and the actual figures year after year is so huge that it is impossible for anybody to have even a rough idea of the financial position of the Government. We are simply asked to accept whatever figures are given to us. The other day, the Hon. Finance Minister said that expenditure was growing every day in every department, that the departments were expanding and that it was not possible to expect with any degree accuracy correct estimates of expenditure involved, because many new schemes were taken up during the course of the year. Therefore we do not know where we are. This is a supplementary demand that has been presented to us on the 22nd March. I ask the Hon. Minister to sit tight over the various departments and see that they do not spend even a rupee without the previous sanction of the Legislature. He must give strict instructions to them that they must submit their estimates in time, that they must obtain the sanction of the House and it is only then that the amounts should be spent. They must have a policy and a programme at the beginning of every year. Now the Government are spending a lot of money on hospitals, on the enforcement of prohibition and on ever so many activities. Take hospitals, what is the position there? If you go and see any of the bigger hospitals in the city you will find that they are more like concentration camps and jails. Hundreds of patients, both men and women, are waiting for admission, hundreds are discharged before they are completely treated, and many of them lie on the floor on the verandahs and between cots. There are patients everywhere, patients inside the hospitals, patients outside the hospitals and patients strolling about the verandahs. That is the position so far hospitals are concerned.

24th March 1950]

[Dr. V. K. John]

“ Take prohibition. It has been repeatedly said in this House that prohibition is not a success, and that illicit distillation is going on everywhere. But still the Government are going on spending lakhs and lakhs of rupees on its enforcement. Why should they not open their eyes to the realities of the situation and why should they go on spending vast sums on it, when we want more money for education, for sanitation, for public health and a hundred other nation-building services? Why should Government spend so much money for prohibition which results in illicit distillation instead of diverting these large sums of money to improvement of public health, irrigation and other nation-building activities? Do the Government prefer illicit distillation to education? Do they prefer it to the promotion of public health? What is it that we see to-day? The Government have put so many people in jail in connexion with prohibition offences. Does not this fact bear out that prohibition is not a success? Does it not show that the people are unconcerned with it? If prohibition has been accepted as good by the people as the Government claim it is, they should have withdrawn the army of people who are engaged to enforce it. At least they should have planned to withdraw them gradually year after year. They must have had the expenditure reduced. Instead, the expenditure goes on increasing.

5-15
p.m.

“ Sir, as regards the maintenance of law and order, we have always paid compliments to the Government for keeping law and order in the State. We have complimented them generously for their action against the Communists. Sir, it was said the other day that this menace could be completely put down if people came forward to co-operate with the Government. If the people are not behind the Government, what should that Government do? What is the course they should adopt? The most patriotic step open to them would be to lay down their seals of office. But, I do not want to go to that extent when I deal with our present Government. Here it is not a case of the people not behind them but it is a case where the Government have no plan at all. I know that the people of this State are not against the Government except of course a few of them who are engaged in subversive activities. And how do these activities develop? The Government have no programme for the poor. To save the people from becoming victims to Communists, I would suggest to the Government to take necessary steps to settle the poor people—the agricultural labourers, the industrial labourers—on land. If the Government sit tight over the 33 crores of rupees in the Reserve Fund which they have inherited from the previous Government as the Nizam of Hyderabad sits tight on his gold.”

SRI P. R. K. SARMA :—“ Are there no Communists among rich men and among prosperous lawyers? ” (Laughter.)

* DR. V. K. JOHN :—“ The hon. Gentleman may speak for himself. What I am saying is that land should be provided for these people who have no homesteads, who have no lands for cultivation. We have nearly 21 million acres of land for cultivation which remain uncultivated, though they are cultivable. If

[Dr. V. K. John]

[24th March 1950]

these lands are allowed copious supplies of water—if irrigation facilities are provided—and cultivated and assigned to landless poor, there will be no trouble in the State. Give them some land to put up homesteads, give them some land to cultivate and give them some land to carry on other industries. If to-day, there is no Communistic Government in France, it is due to the fact that there are five million owner-cultivators there. Now, we have three lakhs of people in the City of Madras living in cheris who are forced to move from place to place. They live in huts”

THE HON DR. T. S. S. RAJAN :—“ Sir, is the hon. the Leader of the Opposition in order in making irrelevant statements? We are discussing the supplementary demands now. I would like to draw the attention of the Leader of the Opposition to the fact that his observations are far wide of the mark.”

THE DEPUTY CHAIRMAN :—“ The Leader of the Opposition is repeating what he has said before.”

* DR. V. K. JOHN :—“ Yes, Sir. I have repeated what I have said. Repetitions will count for us. (Laughter.) My point is that the large sum that is allotted for expenditure on jails for detenus and for hospitals which cannot accommodate all that apply for admission, can be saved if only the Government spend their money in the proper way. My hon. Friend Mr. Sarma asked whether there were no Communists among the lawyers. I quite understand his point. I may assure him that it is only those Communists that belong to the labouring class that carry on these subversive activities and not those among the lawyers.

“ Now, Sir, let me go back to the statement I made at the outset. These Supplementary Demands which involve several crores of rupees are asked to be granted with respect to work that has already been done. The expenditure has already been incurred. Several crores of rupees more are also spent because there are always the 100 rupee token grants! I ask the Finance Minister in all humility not to repeat this every year. Let us have a programme and let him come forward in good time whenever some scheme is on hand so that the Legislature may have an opportunity to discuss it. Let them have some plan. It is no use groping in the dark. At present, the Government spend all the money and then come to this House or the other House at the end of the year for sanction. This is a very improper course to adopt. This is illegal. It is not in keeping with the spirit either of the former Government of India Act or the New Constitution of this country. The Government must come to us in the beginning and not after everything is over. I would like the Hon. the Finance Minister always to bear in mind that it is not the expenditure that matters so much as the results that are likely to be achieved. Whether it is taxing the poor or anybody else, every time the Government come up before the House for sanction they must be in a position to say, ‘ we have spent so much and this is what we have achieved ’. We have spent several crores on the Grow More Food Schemes. But what is the result? I

24th March 1950]

[Dr. V. K. John]

would ask the Finance Minister, who, I take it, is very very careful in spending public money, who is very very anxious to see that some results are achieved and who does not, above all, want to waste public funds, to see whenever he makes a sanction whether the results would be of a beneficial nature or would be a waste. I am referring to this fact because I have found that crores have been provided for State Trading Schemes. State Trading, I have often pointed out, is not a healthy thing and we do not know how many more crores are going to be wasted by the Government on this item. The Finance Minister should see that when he allots a particular sum for a particular work, it proves to be a beneficial expenditure. The scheme must prove successful for nothing succeeds like success. Whenever the Heads of Departments come up to the Government with schemes, the Finance Department must ask them what they have achieved so far and then only make the grants. I hope that the Hon. Mr. Gopala Reddi, the present Finance Minister, with his experience as Finance Minister for the last three years, knows how things are going on and, therefore, he should see that every rupee that is spent is not a wasteful expenditure. I would request his other Colleagues also to be careful in their expenditure. Again, Sir, the Finance Minister who is dealing with nearly sixty crores of rupees cannot be running about in buses. (Laughter.) He should not be given any other portfolios in addition to Finance. As it is, Transport takes away a good portion of his time.

“In conclusion, Sir, I would once again tell the Hon. the Minister for Finance in all humility—I do not make this observation in an inimical manner but in a friendly way—that he must see that this practice of incurring expenditure without authority should not be repeated next year.”

* THE HON. SRI B. GOPALA REDDI:—“Mr. Deputy Chairman, Sir, I can quite understand the resentment of hon. Members over the time allotted for discussion. This time, we have had to provide for an Appropriation Bill which is an innovation for us under the New Constitution. We have had to allot the 29th, 30th and 31st for the introduction and passing of this Appropriation Bill and so naturally we were hard pressed for time for transacting other business. It is true that half a day—less than two hours—is hardly sufficient for a discussion of this nature and we shall certainly see that more time is allotted for this purpose in future. I see that the complaint is not so much against the nature of the Demands as against the lack of opportunity to discuss them. The objection is more to the limitation of time. I would assure the House that more time will certainly be given as I have promised just now in the coming years.

“Sir, Supplementary Demands are inevitable certainly when the departments are growing and when they spend large sums of money in the course of the year. They are inevitable everywhere. We have seen that even in the Central Parliament and in the House of Commons, Supplementary Demands do come in for crores of rupees and some times even hundreds of crores. I

[Sri B. Gopala Reddi]

[24th March 1950]

remember, last year the Government of India presented a Supplementary Demand for 100 crores of rupees. So, it is not as though the Finance Department or the Finance Minister is not having enough control over the spending departments. The demands are such that we cannot actually envisage what is required and what is to be done. All the departments are growing. They are not static. It is not a question of mere day-to-day administration. Many schemes are being taken up by the Government—Schemes relating to Irrigation, Electricity, Education, Police, etc. We cannot go in the orthodox manner and budget for the requirements and needs of the departments as they appear in the beginning of the year. We are now in a sort of fluid state, especially in financial matters. In fact, we did not expect that our sales tax would yield two crores of rupees and more than what was anticipated. The Leader of the Opposition complained that while we expected a deficit, we got a surplus. Sir, when we get some money more than what we expect, can we say 'we do not want it'? Money is coming into coffers"

DR. V. K. JOHN :—" I was commenting on the figures relating to expenditure."

* THE HON. SRI B. GOPALA REDDI :—" That is true. We do not know when the prices will come down. During such days of uncertainty, there are so many unknown factors which we come across in the course of the year. For instance, sales tax has yielded 3.26 crores more if we take up our revenues. We provided 12.25 crores under sales tax whereas we actually got 15.51 crores. The motor vehicles tax also has yielded more than what was expected. Due to the recent enhancement in the tax, we have got eighty to ninety lakhs of rupees over and above the budgeted figure. We have got to take these and we must also take up new schemes. Our departments are expanding rapidly and so we have to make some elbow-room while budgeting for them. With regard to the 100 rupees token grants referred to by the hon. Member, Dr. A. Lakshmanaswami Mudaliyar, it is true that a large number of items are there in the Supplementary Demands. But, Sir, we had expected large savings in the budgeted amounts. So, it is not always easy for us to give the exact figure. We are some times liberal—especially in respect of the Education Department. There are also certain departments where it is not always possible to spend the amount budgeted for and there is a large saving. For instance, in the Department of Irrigation, they may not be able to spend all the money allotted in the same year for some reason or another and that has to be re-appropriated for some other department. Of course it is not done with the approval of the House now. We wanted the approval of the House for the token sum of Rs. 100. We did not know what the actual amount is going to be since there would be savings from other departments. That is why a token sum of Rs. 100 was shown. There is no camouflage, no fraudulent transaction and nothing need be suspected of what is being done. We are being guided by the Public Accounts Committee. We are

24th March 1950]

[Sri B. Gopala Reddi]

being guided by the Accountant-General and the Auditor-General. It is not as though we can do what we like. Certainly we are looking into these token grants and supplementary estimates with very great care. As I have already said it is after all very difficult to assess the actual expenditure at the moment. It is very difficult for the Finance Department to correctly gauge the actual sum of money that has to be spent by the different departments. Suppose a sum of Rs. 50 lakhs is given to some department. It may be that the department might have spent about Rs. 47 lakhs and expect to spend the balance in the budget year in course of time. But there are other bottlenecks. They cannot incur the necessary expenditure because they don't get the necessary machinery for which the amount might have been earmarked, because it takes long time for the machinery to arrive in this country from foreign countries. Then again there are iron and steel and such other things. Thus the Heads of Departments cannot anticipate the course of expenditure in the next three months or four months. So we are in a very fluid state of affairs as it were. We cannot blame the Heads of Departments because they are unable to anticipate the actual expenditure. Therefore, Sir, we must view these things with a little sympathy. They are working with very great stress. If our receipts have gone up from 16 to 55 or 57 crores, it means that our expenditure also has to mount up tremendously. Capital expenditure has also been mounting up very rapidly and this year we are expecting to spend about 50 crores. The Heads of Departments are therefore working under very great stress and strain and they cannot be expected to anticipate the course of expenditure very correctly. Of course, there is a lack of qualified accountants in many of the offices. That is also the chief complaint of the Auditor-General when he came here recently. At least we are better off in this Province. In other provinces it is hopeless. In every spending department there are qualified auditors and officers and it is their duty to see how these expenditure tallies with the budget amount and things like that. In view of these things, it cannot be said that we are indulging in wasteful expenditure without any policy or programme in sanctioning new items of expenditure. The hon. the Leader of the Opposition quoted figures from year to year. But the figures have been coming down. In 1946-47 the supplementary estimate was to the tune of 9 crores or something on revenue account alone and from year to year it has come down to 7, then from 7 to 4 or so, crores under the revenue account. (Interruption.) We learn by experience. Certainly we learn by our own experience and not only from our own but from the experience of others also. Other people's faults will act as checks and balances. There is no finality about most matters.

“As I have said in the beginning we shall see that more time is given to the discussion of matters in this House. We are thankful for the various points raised by the hon. Members, especially Sri R. Suryanarayana Rao and Dr. A. Lakshmana-swami Mudaliyar. All these individual items will certainly be looked into by the departments and they will be raised in the

[Sri B. Gopala Reddi]

[24th March 1950]

Assembly also when the demands are moved on the 27th and the Ministers will be able to answer them on individual points. We are indeed grateful for the useful remarks made by the hon. Members. It is not as though we are chary of listening to criticisms. Certainly we are benefited by the criticisms coming from the enlightened Members of this House. We are working under great stress. At considerable sacrifice to other business we have to find time for the discussion. The time for discussion on the demands had to be curtailed to even two hours in the Assembly. The Assembly took it gracefully but not so this House."

The House then adjourned to meet at 11 a.m. on Thursday, 30th March 1950.

V.—PAPERS LAID ON THE TABLE OF THE HOUSE.

1. G.O. No. 193, L.A., dated 24th January 1950, regarding the postponement of the date of election to the Eduguntlapadu Panchayat Board (Guntur)—Instructions—Issued.

2. Notifications making amendments to Madras Motor Vehicles Rules, 1940, published with Home Department's Notification No. 357, dated 29th March 1940, as subsequently amended :—

(1) Notification issued with G.O. Ms. No. 4587, Home, dated 16th November 1949.

(2) Notification issued with G.O. Ms. No. 163, Home, dated 12th January 1950.

(3) Notification issued with G.O. Ms. No. 348, Home, dated 28th January 1950.

(4) Notification issued with G.O. Ms. No. 162, Home, dated 12th January 1950.

(5) Gist of the final reply received by the Government of Madras from the Government of India on the question of the creation of Andhra Province.